

AMERITECH MFJ SECTION II(D)(2) WAIVERS

<u>Waiver Issue</u>	<u>Summary</u>	<u>Date of Order</u>
• Cellular/Wireless	RBOCs allowed to provide cellular and other wireless services across LATAs	4-28-95
• On-Line Transfer	Ameritech permitted to provide limited on-line transfer service to IXC's	2-4-94
• Alarm Monitoring	Ameritech permitted to provide monitoring and response calling across LATA boundaries	9-8-95
• TDD	Ameritech allowed to provide special telephone service to disabled callers on interLATA basis	7-26-91
• Reverse Directory	Ameritech permitted to provide customer name and address on interLATA basis	2-6-89
• Video Programming	Ameritech permitted to deliver video and cable programming across LATA boundaries	6-26-95
• 800 Service/LIDB	RBOCs allowed to provide independent telcos with interLATA transport of queries to LIDB or 800 service databases	2-10-92
• 911 Services	RBOCs permitted to provide 911 and E-911 services on an interLATA basis	2-2-89



STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's
own motion, to consider Ameritech
Michigan's compliance with the
competitive checklist in Section 271
of the Telecommunications Act of 1996

Case No. U-11104

Proceedings had in the above-entitled
matter before Theodora M. Mace, J.D., Administrative Law
Judge, at the Michigan Public Service Commission, 6545
Mercantile Way, Lansing, Michigan on Wednesday, May 28,
1997.

PRESENT:

JOHN G. STRAND, Chairman
JOHN C. SHEA, Commissioner
DAVID SVANDA, Commissioner

ALSO PRESENT:

Ann Schneidewind
William Celio

Members of the Communications Division,
Michigan Public Service Commission Staff

APPEARANCES:

CRAIG ANDERSON, J.D.
JOHN M. DEMPSEY, J.D.
Room 1750
444 Michigan Avenue, Room 1750
Detroit, Michigan 48226
and
MICHAEL KARSON, J.D.

Appearing on behalf of Ameritech Michigan

1 interface works and how the conversation will go, we will
2 do that.

3 We also will hold weekly, and in a lot of
4 cases daily, meetings with the CLECs as they bring these
5 interfaces up. They come up with troubles and problems,
6 and we make sure that we can address them in real time.

7 And above that, we also provide, as Mr.
8 Karson alluded to, user guides and training and ordering
9 materials that is available on the Web. Mr. Mickens will
10 get into a little bit more detail about that additional
11 information.

12 The interface testing, all the interfaces
13 went through internal testing before we provided them. In
14 most cases they all had carrier-to-carrier testing, with
15 the exception of the maintenance interface as it relates
16 to resale or unbundling. I say it was used on the IXC
17 side. It's the exact same interface. But I can't say we
18 have done the testing with the CLEC in the local wholesale
19 environment.

20 JUDGE MACE: Can or cannot?

21 MR. ROGERS: Cannot. The actual use, all
22 the interfaces, even though it's not testing, through the
23 actual use that we've had to date we have not identified
24 any major design flaws that would say that these
25 interfaces aren't working. So we can kind of use that as
26 a testing, real-time testing or on-line testing. And with

1 MR. PARRISH: Yes. There's a few copies
2 there for people that are interested.

3 I'm Steve Parrish, the Executive Vice
4 President of Operations from USN Communications. We're a
5 full-service provider that resells local service from
6 Ameritech, and bundles that service with long-distance
7 services, Internet services, paging and other services
8 from other providers, so we're a total resale provider.
9 We have no network and we're not interested in getting
10 into unbundling.

11 The only areas that we'll be addressing
12 this afternoon is resale. The way I have broken my
13 responses or my material down is by the five questions or
14 the eight questions that were presented.

15 The first question involved is: Are
16 Ameritech's OSS's operational in Michigan by type of
17 interface?

18 On the preordering side, we have got
19 experience right now with the CSRs or presale CSRs
20 activity, the ability to reserve customer telephone
21 numbers, and the ability to secure order due dates all via
22 electronic interfaces. Our primary focus of all the
23 activity due to our sales process is on the CSR area, so
24 we basically pull CSRs via electronic interfaces from
25 Ameritech to both support our ordering process, as well as
26 our customer database process.

1 Right now we're pulling between two to
2 three hundred CSRs a week in Michigan, although that
3 number is increasing very rapidly, and we have no problems
4 with pulling CSRs.

5 Our ordering activity, we currently submit
6 about close to 90 percent, between 85 and 90 percent of
7 our orders in Michigan electronically to Ameritech. A
8 percentage of the orders, though, do require manual
9 interfacing. We do provide complex Centrex and other
10 Centrex services. And as was pointed out earlier today,
11 those do have to be submitted manually.

12 We also provide Ameritech-provided voice
13 mail on some of our lines, and those orders also require a
14 manual form to be submitted, as well as electronic form.

15 When you add that all together, it drops
16 the electronic basis down to around 70 percent of our
17 orders submitted electronically.

18 On a volume basis, right now we're placing
19 thousands of lines worth of new customers into service
20 each week in Michigan, which represents hundreds of
21 orders. About 15 percent of our orders are complex and
22 Centrex-oriented right now.

23 All of our billing information, especially
24 in the usage area, is provided to us from Ameritech on an
25 electronic basis in the EMI format. We use that to
26 generate bills, and we have done so since August of last

1 What you've been hearing mostly today
2 about is unbundled OSS for resale systems. Brooks Fiber
3 is not a reseller. It's not particularly interested in
4 Ameritech's OSS for resale. We're very interested in
5 Ameritech's OSS for unbundled network elements.

6 Ameritech has testified today that Brooks
7 Fiber is actually using Ameritech's OSS for ordering,
8 provisioning, and billing.

9 Kathy Estepp, who is a LEC interconnect
10 specialist with Brooks Fiber, will tell the Commission
11 exactly what our current ordering process looks like, then
12 you can determine whether or not that meets the statutory
13 definition of OSS.

14 Also, we have also heard some testimony
15 that the reason why many of these CLECs aren't using these
16 systems are for business, business decisions.

17 We have Mary Bogue, who is an Applications
18 Development Manager from Brooks Fiber, who will explain to
19 the Commission exactly what processes Brooks Fiber has
20 been going through to interconnect with Ameritech to
21 access its OSS system. First, Kathy Estepp.

22 MS. KATHY ESTEPP: Good afternoon.

23 JUDGE MACE: Good afternoon.

24 MS. ESTEPP: Hi. I'm Kathy Estepp, LEC
25 Interconnect Specialist. I was just recently promoted to
26 that position. I was a provisioning supervisor at Brooks

1 Fiber where I have 15 provisioners under me.

2 I still do that job today because we're
3 trying to find a replacement, so I'm trying to do two jobs
4 now, but ...

5 Brooks has been in the industry for two
6 years for local service in Michigan. We are a dial tone
7 provider, not a reseller.

8 The vast majority of our local service is
9 unbundled. And we do depend on Ameritech to give that
10 service to our customers.

11 We don't have the OSS for unbundled loops
12 in Michigan right now at Brooks. We do need it very
13 badly. Our current order process right now, we get the
14 order from our sales department, we provision that order
15 in our system and we turn around and put it into the Telex
16 using the ASR format. That's not including the
17 portability or any disconnect information for the
18 Ameritech number. That has to be faxed.

19 We then have to collect all the orders
20 that we put into the system in what they call batches or
21 files, and then we send them to Ameritech using a modem.

22 When we send over files, we retrieve
23 feedback files, which have our FOC information in them.
24 We then have to print that FOC information from those
25 files.

26 Recently we have been having a lot of

1 problems with the FOCs, not receiving all the ones that
2 they have sent to us. So we have to manually actually
3 send to Ameritech every day what we send to them in ASR
4 format; they check and make sure that they have received
5 all of our ASRs, and also they send back to us every day
6 what they have FOC'd us so that we can check and make sure
7 that we have received all their FOCs.

8 Some days we do receive all the FOCs.
9 Most days we do not. They then have to either fax them to
10 us or overnight them to us, which in essence we had to add
11 like three people to help us with this manual intervention
12 because we're calling back and forth, faxing back and
13 forth things that we don't receive.

14 We did submit forms for reports saying the
15 ASR is confirmed but not received, the FOC tracking report
16 and order is completed on time.

17 We can go through the first one. The ASR
18 is confirmed but not received. This was a study done from
19 4/29 to 5/23. As you can see, it doesn't matter how many
20 orders we send over there as to how many FOCs we receive
21 back. It just -- there's no rhyme or reason to it.

22 They'll tell us what file they're in, and
23 we'll look in that file and they are not there. We cannot
24 read it. We only see maybe whatever FOCs we did get in
25 that file -- we do see like four or five or six, but maybe
26 they said there's 20 in that same file. We're not seeing

1 them.

2 The FOC tracking report, this is a report
3 that is sent by the clerks in my office. We're supposed
4 to have an FOC back within 48 hours. Sometimes we do get
5 it; on the majority we can see the two and three days.

6 Anything after 3:00 P.M. is considered on
7 the next day, so that's where you will see the threes. We
8 do get a majority of them back in a timely manner, but a
9 lot of this has manual intervention to get that back.

10 And then the last, I guess it's a letter
11 here from one of our attorneys to the Department of
12 Justice. And it's just saying what our figures were for
13 the completion of loop orders on time during February,
14 March and April.

15 The only thing we put in there was that
16 what we were using wasn't anything that we needed, like
17 construction charges or anything like that; it was just
18 normal like migration orders.

19 MR. CELIO: What time period are you
20 measuring against? You say it's on time. The date you
21 submitted, the firm order commitment date Ameritech gave
22 you?

23 MS. ESTEPP: O.K. The date that we sent
24 it to them they should receive it. If it is a complete
25 order, no errors, they have 48 hours to get back and FOC
26 to us.

1 forecast.

2 JUDGE MACE: Very well. I see counsel
3 nods assent to that, so proceed.

4 MR. MICKENS: I think it's very reasonable
5 that we should have capacity in place to ensure that we
6 can process for AT&T a thousand orders a day to support
7 that. I think it's very reasonable that we should be able
8 to, assuming they started at zero and end the month at
9 2000, at 2000 per day.

10 The concern I have is that you take a look
11 at what happens with the very wide volume swings that
12 occurred beginning the 23rd of the month. It suddenly
13 jumped over 2000 per day, fell back down as low as 400,
14 and then jumped back to 4000 per day. This was all done
15 without any warning.

16 And when we talked to AT&T, the feedback
17 they gave and the information they offered in testimony in
18 Illinois was that the system had broken down.

19 COMMISSIONER SHEA: Could I ask you a
20 question about this chart?

21 MR. MICKENS: Yes.

22 COMMISSIONER SHEA: Where are these orders
23 coming from and where are they going? What state, for
24 example?

25 MR. MICKENS: These are --

26 COMMISSIONER SHEA: Is it Illinois?

1 MR. MICKENS: These are AT&T orders for
2 the entire five-state region.

3 COMMISSIONER SHEA: O.K.

4 MR. MICKENS: They come to our interface,
5 and they come I think from White Plains. And I'm not sure
6 if they come from anywhere else.

7 COMMISSIONER SHEA: But it's not a single
8 state, it's Ameritech's entire region?

9 MR. MICKENS: Correct. This type of
10 volatility, if there is any degree of orders that have
11 manual review, as I indicated this morning, will have a
12 very, very detrimental effect upon the performance of your
13 work force.

14 That's essentially what happened. So when
15 AT&T talks about some degradation in performance at the
16 end of April and the 1st of May, they're right. We did.
17 It was because of this reason.

18 Now, the following page, we also give them
19 May -- I will not discuss forecasts, but I began calling
20 AT&T the first week of May to understand. "Your volume
21 has dropped off, we talked about forecasts, I have volume
22 here that I'm getting from you, I'm concerned. Are you
23 sending me everything you have?" And I would probe and
24 ask questions.

25 May 20th, suddenly I got 3000 orders. And
26 if you look at the interval of May 19 through May 21, 97

1 not as well as I would want to and not as well as AT&T
2 would want me to.

3 COMMISSIONER SHEA: If what you say is
4 true, then shouldn't there be a relationship between
5 orders electronically processed and total orders, which is
6 a higher percentage for low-volume days than for high-
7 volume days?

8 MR. MICKENS: I'm sorry. I don't
9 understand the question. Could you please --

10 COMMISSIONER SHEA: Well, if I look at the
11 total orders on any one of these given days and create a
12 fraction where the total orders is the denominator and the
13 total orders processed electronically is the numerator,
14 would you expect to see a relationship between the
15 fraction that we create in that fashion and the number of
16 orders processed? Because I don't see such a relationship
17 as I quickly scan this information.

18 MR. MICKENS: I understand the question
19 now. No, sir.

20 The issues that will drive it to manual
21 review are the issues that we discussed this morning, and
22 the principal drivers are mismatches between the order and
23 the CSR, the phone numbers don't match or you're splitting
24 them or doing something like that, PIC and no-PIC issues,
25 pending activity, the remarks section, and again in this
26 particular one today we had 97 percent of those with words

1 morning was at a hundred percent.

2 Each one of them has a different amount of
3 time that requires that capacity. For the preordering
4 interfaces and the ordering interfaces, I think in my
5 affidavit we have a time, I believe it was 90 days for
6 those. But then the systems like the billing system stuff
7 that would require additional capacity on the back-end
8 systems, those would require six months to add them,
9 because they're more mainframe-based and the intervals are
10 longer for that.

11 One of the other issues that came up on
12 capacity this morning was that I believe it was MCI's
13 concern that they only used six concurrent users in our
14 testing. Well, it was six CLECs, it wasn't six concurrent
15 users. Each one of those users could have had 256
16 concurrent sessions going. Well, what we did, we had six
17 different users logged in, all asynchronously sending us
18 requests, and asynchronously means that you could send a
19 request, send another one and not wait for the first one
20 to respond, and that's the way that we would expect most
21 CLECs to work. Where they'd have their pool of reps,
22 they'd come into a manager that says, "Here's all the
23 requests; give them to Ameritech," and not come to us with
24 256 different links or how many hundreds of links they
25 have. They'd be doing it over one link or one user.

26 MR. KARSON: If we may, can we go on to

Draft Internet
Subject: Reject Analysis

400 order Sample
176 rejects

57 rejects due to AIT errors = 33% of rejects or 14.5% of overall orders.

Reject reasons:

<Interface coding isn't working as AIT specified:

Line USOC LT not valid for listing	20 orders
AIT did not provide correct USOC for Toll Restriction	3
AIT did not provide complete ordering instructions for 900/976 block	1
NMP not valid without NSD	17
LPIC 6123 not valid (AIT said to use this code)	2

<AIT tables not updated correctly

_____ is not a valid NPANXX for TN_____	7 orders
2-pic not supported in the CO	6
2-pic is required for CO	1

Public Service Commission of Wisconsin
Prefiled Direct Testimony of Anne W. Wiecki
Telecommunications Division

Operations Support Systems (OSS)
Docket 6720-TI-120

March 19, 1997

1 Q. Please state your name and business address.

2 A. My name is Anne W. Wiecki, and my business address is P.O. Box 7854,
3 Madison, Wisconsin 53707-7854.

4 Q. By whom are you employed?

5 A. I am employed by the Public Service Commission of Wisconsin.

6 Q. How long and in what capacity have you been employed by the Commission?

7 A. I was first employed by the Commission in February 1986 as an Auditor in the
8 Accounts and Finance Division. I was a Public Utility Financial Analyst in
9 the Gas, Water and Federal Intervention Division during 1991 and 1992. I am
10 currently an Auditor in the Telecommunications Division.

11 Q. Will you please summarize your education and other work experience?

12 A. I was employed by Alan H. Cohen, CPA, of Ithaca, New York, as an office
13 manager and tax preparer from 1981 to 1985. I received my Bachelor of
14 Science Degree with a Major in Accounting from Ithaca College in 1984. I
15 was employed at the accounting firm of Grant Thornton in Madison,
16 Wisconsin, prior to accepting employment with the Commission. I became a
17 Certified Public Accountant in 1988. I have taken additional graduate-level
18 courses. In May 1993, I was awarded the designation Certified Rate of Return
19 Analyst (CRRRA) by the National Society of Rate of Return Analysts. This

1 designation is awarded based upon experience and successful completion of a
2 written examination.

3 Q. Please describe the purpose of this portion of your testimony.

4 A. The purpose of this portion of my testimony is to explain my review of
5 Ameritech's Operations Support Systems (OSS) and its various components.

6 Q. Please explain how the OSS review was broken into parts.

7 A. The OSS consists of electronic interfaces to preform the functions of
8 (1) preordering, (2) ordering, (3) provisioning, (4) repair and maintenance,
9 and (5) billing. To be considered commercially viable, these interfaces should
10 provide nondiscriminatory access to unbundled network elements (UNE) and
11 resold services. To make that determination, staff invited and met with parties
12 who had experience in testing or using Ameritech's OSS electronic interfaces
13 to discuss OSS. As a result of that meeting, staff developed the following
14 criteria to determine whether the electronic interfaces were indeed
15 commercially viable.

16 (1) The interface will process transactions. This can be demonstrated
17 through processing "live" transactions or test cases although processing
18 "live" transactions is stronger evidence.

19 (2) Users have the necessary information to write programs to interact
20 with the interfaces. This includes documentation of Ameritech's use of
21 industry standards and adequate manuals for the specific use of
22 Ameritech's interfaces.

23 (3) The interfaces have the capacity to handle the expected volume of
24 transactions.

25 (4) The service provided by the interface is equal in quality to the

1 service used by Ameritech's own representatives in its own service
2 offerings.

3 Q. What parts of this analysis does your testimony cover?

4 A. My testimony mostly addresses criteria (1) and (4) above for each of the
5 interfaces.

6 Q. Why did staff undertake this evaluation?

7 A. A private, independent evaluator with experience in electronic transactions
8 could not be employed within the time frame of this proceeding.

9 Q. What other measures did you take to obtain additional expertise?

10 A. I have made available to parties in this case all of Ameritech's responses to my
11 data requests related to criteria (1) and (4). The parties using and testing these
12 interfaces therefore, have an opportunity to assign or engage whomever they
13 feel has appropriate expertise to also review the same materials. In this way, I
14 am relying, in part, on the hearing process to assure the evaluation is
15 complete. My recommendations included in this testimony are based on what
16 I know now, subject to change based upon knowledge gained from the hearing
17 process.

18 In addition, I want to point out that criterion (4) above is only a portion
19 of the overall parity issue that will be addressed in this hearing. I address
20 only the issue of parity in the initial provision of service. Issues of ongoing
21 parity such as the frequency of repairs will later be addressed by Jeff Richter
22 of Commission staff.

23 Q. How is your testimony presented?

24 A. My testimony is presented by interface. However, ordering and provisioning
25 will be discussed together as a single interface since both receive orders and

1 give acknowledgements of order status. For each interface, I will give my
2 conclusion (at the date of prefilng) as to whether transactions can be processed
3 in parity with Ameritech customer service representatives (CSreps). I will
4 then summarize the evidence I reviewed. Finally, I will discuss my evaluation
5 of that evidence and how it supports my conclusion.

6 Preordering Interface

7 Q. What have you concluded about the preordering interface?

8 A. At this time, there is not enough hard data or unbiased opinion to determine if
9 this interface is processing transactions at parity with Ameritech. A
10 mechanism needs to be developed to track and compare Ameritech CSreps'
11 response time to competing carrier response time for preordering functions. In
12 arriving at my conclusion, I reviewed the numbers of actual inquiries
13 processed, average processing time, results of testing, trouble logs and
14 provider testimonials.

15 Q. Please discuss your evaluations.

16 A. Ameritech reports that it has processed 1677 inquiries through the preordering
17 interface. These requests provide competing carriers with customer service
18 records, phone number selection and due dates for installations. Ameritech
19 informs me that a status of each inquiry is not maintained for this preordering
20 system like the one I was able to obtain for the ordering interface discussed
21 below. The number of each type of request is counted and reported but not
22 detailed by transaction.

23 Ameritech first implemented response time monitoring in
24 February 1997. Information thus far shows that average processing time is
25 13.4 seconds, and that 96.3 percent of the inquiries were provided within

1 60 seconds. In my opinion, this seems like a long time to wait for a response
2 while on the line with a customer. I requested the individual data elements
3 used to derive this composite, but it was not provided. I inquired how long it
4 takes Ameritech CSreps to receive their own processed inquiries, but was told
5 this data was not even available. Apparently, it is not collected. Ameritech
6 states that there is parity because both itself and competing providers use the
7 same data base. Ameritech, however, does not use the same interface. If the
8 gateway through which competing providers must enter is down (not
9 functioning) or experiences delays then, competing carriers would have a
10 delayed response compared to Ameritech.

11 The test Ameritech performed on its interface indicated success. I
12 viewed test scripts covering each inquiry. The results of these tests were
13 summarized on a "Test Execution Matrix." This matrix compares expected
14 and actual results. Each of the 96 test cases registered success on the first
15 attempt.

16 I also reviewed two trouble logs. One was Ameritech-AIIS's and the
17 other was Telesphere's. AIIS's was dated February 14, 1997, and had
18 troubles recorded through February 13, 1997, with the latest retest record of
19 February 3, 1997. Some entries were rated with either high, medium, and
20 low priority, but other entries were not even rated. The time to clear troubles
21 ranged from 1 to 22 days, but it is unknown whether the most serious troubles
22 were cleared rapidly and the least serious cleared over the longer time period.
23 Telesphere's trouble log was dated February 14, 1997, and had troubles
24 recorded through that date with the last cleared trouble dated February 12,
25 1997. It rated troubles high, medium, and low through January 24, 1997, but

1 did not rate the rest of the troubles. The time to clear troubles ranged from 5
2 to 35 days. Troubles rated "high" took 5 to 33 days to clear; specifically, one
3 at 5 days, two at 6 days, one at 16 days, and two at 33 days. I feel further
4 evidence is needed that customer impacting troubles are being corrected in a
5 timely manner. This relates to the parity concerns expressed by competing
6 LECs that if troubles occur on this gateway, their response time may be worse
7 than Ameritech's CSreps.

8 A testimonial was submitted by Telesphere Solutions, Inc., that it has
9 written a product it calls AmPOS to interface with Ameritech's electronic
10 preordering interfaces. This interface was used by Ameritech in its testing.
11 Telesphere states that it was able to develop the interface from specifications
12 provided without any significant interaction with Ameritech. Telesphere states
13 to the best of its knowledge the interface is stable. The concern associated
14 with this testimonial is that Telesphere intends to market this product and
15 therefore has a vested interest in having it evaluated favorably.

16 A testimonial dated March 4, 1997, was also provide by USN
17 Communications that it uses this interface to support its sales efforts in
18 Illinois, Ohio, and Michigan. However, the lack of hard data comparing
19 competitors to Ameritech CSreps, and the length of time recorded to clear
20 high-priority troubles, should be given more weight than this testimonial,
21 hence my conclusion above.

22 **Ordering/Provisioning Interface**

23 Q. What is your conclusion regarding the ordering/provisioning interface?

24 A. While the Electronic Data Interchange (EDI) interface for ordering resold
25 services and unbundled elements (except loops) processes transactions, it is not

1 yet stable. Therefore, it does not provide service that is equal between
2 Ameritech and competing LECs. Moreover, additional work is necessary
3 before many of these elements can be ordered through the EDI interface. The
4 Access Service Request (ASR) interface for ordering unbundled loops appears
5 to be functioning. I reviewed processing records of live transactions, trouble
6 logs, test cases and integration testing run through the interface, and
7 testimonials of users.

8 Q. Please discuss your evaluation of the processing of live transactions.

9 A. I obtained Ameritech's "Order Status Report" for orders from January 1,
10 ¹⁹⁹⁶~~1997~~, to February 27, 1997, along with Ameritech's summary that the report
11 covered 1338 transactions of which 558 were processed automatically and 780
12 were processed manually. Ameritech argues that it does not matter if
13 transactions are processed manually because the customer obtains the same due
14 date that it would otherwise receive from the electronic preordering system.

15 However, in response to my concern regarding the large number of
16 transactions processed manually, Ameritech prepared an analysis which
17 compares missed due dates for orders processed manually to missed due dates
18 for orders processed automatically. This analysis purported to have a lower
19 missed due date rate for manual than automatic orders.

20 I could not tie certain transactions listed in this analysis to the "Order
21 Status Report." Moreover, I found other transactions on the status report
22 which I considered to be missed due dates that were not reflected in that
23 analysis. I determined that orders which are, in effect, still pending after their
24 due dates have passed were not considered to be missed due dates since missed
25 due dates were determined by comparing the completion date to the due date.